

1 **TITLE VIII—COMMITTEE ON**  
2 **HEALTH, EDUCATION, LABOR,**  
3 **AND PENSIONS**  
4 **Subtitle A—Student Eligibility**

5 **SEC. 80001. STUDENT ELIGIBILITY.**

6 (a) IN GENERAL.—Section 484(a)(5) of the Higher  
7 Education Act of 1965 (20 U.S.C. 1091(a)(5)) is amended  
8 to read as follows:

9 “(5) be—

10 “(A) a citizen or national of the United  
11 States;

12 “(B) an alien who is lawfully admitted for  
13 permanent residence under the Immigration  
14 and Nationality Act (8 U.S.C. 1101 et seq.);

15 “(C) an alien who—

16 “(i) is a citizen or national of the Re-  
17 public of Cuba;

18 “(ii) is the beneficiary of an approved  
19 petition under section 203(a) of the Immi-  
20 gration and Nationality Act (8 U.S.C.  
21 1153(a));

1 “(iii) meets all eligibility requirements  
2 for an immigrant visa but for whom such  
3 a visa is not immediately available;

4 “(iv) is not otherwise inadmissible  
5 under section 212(a) of such Act (8 U.S.C.  
6 1182(a)); and

7 “(v) is physically present in the  
8 United States pursuant to a grant of pa-  
9 role in furtherance of the commitment of  
10 the United States to the minimum level of  
11 annual legal migration of Cuban nationals  
12 to the United States specified in the U.S.-  
13 Cuba Joint Communiqué on Migration,  
14 done at New York September 9, 1994, and  
15 reaffirmed in the Cuba-United States:  
16 Joint Statement on Normalization of Mi-  
17 gration, Building on the Agreement of  
18 September 9, 1994, done at New York  
19 May 2, 1995; or

20 “(D) an individual who lawfully resides in  
21 the United States in accordance with a Com-  
22 pact of Free Association referred to in section  
23 402(b)(2)(G) of the Personal Responsibility and  
24 Work Opportunity Reconciliation Act of 1996  
25 (8 U.S.C. 1612(b)(2)(G)); and”.

1 (b) EFFECTIVE DATE AND APPLICATION.—The  
2 amendment made by subsection (a) shall take effect on  
3 July 1, 2026, and shall apply with respect to award year  
4 2026–2027 and each subsequent award year, as deter-  
5 mined under the Higher Education Act of 1965 (20  
6 U.S.C. 1001 et seq.).

7 **SEC. 80002. EXEMPTION OF CERTAIN ASSETS.**

8 (a) EXEMPTION OF CERTAIN ASSETS.—Section  
9 480(f)(2) of the Higher Education Act of 1965 (20 U.S.C.  
10 1087vv(f)(2)) is amended—

11 (1) by striking “net value of the” and inserting  
12 the following: “net value of—

13 “(A) the”;

14 (2) by striking the period at the end and insert-  
15 ing a semicolon; and

16 (3) by adding at the end the following:

17 “(B) a family farm on which the family re-  
18 sides; or

19 “(C) a small business with not more than  
20 100 full-time or full-time equivalent employees  
21 (or any part of such a small business) that is  
22 owned and controlled by the family.”.

23 (b) EFFECTIVE DATE AND APPLICATION.—The  
24 amendments made by subsection (a) shall take effect on  
25 July 1, 2026, and shall apply with respect to award year

1 2026–2027 and each subsequent award year, as deter-  
2 mined under the Higher Education Act of 1965 (20  
3 U.S.C. 1001 et seq.).

## 4 **Subtitle B—Loan Limits**

5 **SEC. 81001. ESTABLISHMENT OF LOAN LIMITS FOR GRAD-**  
6 **UATE AND PROFESSIONAL STUDENTS AND**  
7 **PARENT BORROWERS; TERMINATION OF**  
8 **GRADUATE AND PROFESSIONAL PLUS LOANS.**

9 Section 455 of the Higher Education Act of 1965 (20  
10 U.S.C. 1087e) is amended—

11 (1) in subsection (a)—

12 (A) in paragraph (3)—

13 (i) in the paragraph heading, by in-  
14 serting “AND FEDERAL DIRECT PLUS  
15 LOANS” after “LOANS”;

16 (ii) by striking subparagraph (A) and  
17 inserting the following:

18 “(A) TERMINATION OF AUTHORITY TO  
19 MAKE INTEREST SUBSIDIZED LOANS TO GRAD-  
20 UATE AND PROFESSIONAL STUDENTS.—Subject  
21 to subparagraph (B), and notwithstanding any  
22 provision of this part or part B—

23 “(i) for any period of instruction be-  
24 ginning on or after July 1, 2012, a grad-  
25 uate or professional student shall not be el-

1           eligible to receive a Federal Direct Stafford  
2           loan under this part; and

3                   “(ii) for any period of instruction be-  
4           ginning on July 1, 2012, and ending on  
5           June 30, 2026, the maximum annual  
6           amount of Federal Direct Unsubsidized  
7           Stafford loans such a student may borrow  
8           in any academic year (as defined in section  
9           481(a)(2)) or its equivalent shall be the  
10          maximum annual amount for such student  
11          determined under section 428H, plus an  
12          amount equal to the amount of Federal  
13          Direct Stafford loans the student would  
14          have received in the absence of this sub-  
15          paragraph.”; and

16                   (iii) by adding at the end the fol-  
17          lowing:

18                   “(C) TERMINATION OF AUTHORITY TO  
19          MAKE FEDERAL DIRECT PLUS LOANS TO GRAD-  
20          UATE AND PROFESSIONAL STUDENTS.—Subject  
21          to paragraph (8) and notwithstanding any pro-  
22          vision of this part or part B, for any period of  
23          instruction beginning on or after July 1, 2026,  
24          a graduate or professional student shall not be

1 eligible to receive a Federal Direct PLUS Loan  
2 under this part.”; and

3 (B) by adding at the end the following:

4 “(4) GRADUATE AND PROFESSIONAL ANNUAL  
5 AND AGGREGATE LIMITS FOR FEDERAL DIRECT UN-  
6 SUBSIDIZED STAFFORD LOANS BEGINNING JULY 1,  
7 2026.—

8 “(A) ANNUAL LIMITS BEGINNING JULY 1,  
9 2026.—Subject to paragraphs (7)(A) and (8),  
10 beginning on July 1, 2026, the maximum an-  
11 nual amount of Federal Direct Unsubsidized  
12 Stafford loans—

13 “(i) a graduate student, who is not a  
14 professional student, may borrow in any  
15 academic year or its equivalent shall be  
16 \$20,500; and

17 “(ii) a professional student may bor-  
18 row in any academic year or its equivalent  
19 shall be \$50,000.

20 “(B) AGGREGATE LIMITS.—Subject to  
21 paragraphs (6), (7)(A), and (8), beginning on  
22 July 1, 2026, the maximum aggregate amount  
23 of Federal Direct Unsubsidized Stafford loans,  
24 in addition to the amount borrowed for under-  
25 graduate education, that—

1 “(i) a graduate student—

2 “(I) who is not (and has not  
3 been) a professional student, may bor-  
4 row for programs of study described  
5 in subparagraph (C)(i) shall be  
6 \$100,000; or

7 “(II) who is (or has been) a pro-  
8 fessional student, may borrow for pro-  
9 grams of study described in subpara-  
10 graph (C)(i) shall be an amount equal  
11 to—

12 “(aa) \$200,000; minus

13 “(bb) the amount such stu-  
14 dent borrowed for programs of  
15 study described in subparagraph  
16 (C)(ii); and

17 “(ii) a professional student—

18 “(I) who is not (and has not  
19 been) a graduate student, may borrow  
20 for programs of study described in  
21 subparagraph (C)(ii) shall be  
22 \$200,000; or

23 “(II) who is (or has been) a  
24 graduate student, may borrow for pro-  
25 grams of study described in subpara-

1 graph (C)(ii) shall be an amount  
2 equal to—

3 “(aa) \$200,000; minus

4 “(bb) the amount such stu-  
5 dent borrowed for programs of  
6 study described in subparagraph  
7 (C)(i).

8 “(C) DEFINITIONS.—

9 “(i) GRADUATE STUDENT.—The term  
10 ‘graduate student’ means a student en-  
11 rolled in a program of study that awards  
12 a graduate credential (other than a profes-  
13 sional degree) upon completion of the pro-  
14 gram.

15 “(ii) PROFESSIONAL STUDENT.—In  
16 this paragraph, the term ‘professional stu-  
17 dent’ means a student enrolled in a pro-  
18 gram of study that awards a professional  
19 degree, as defined under section 668.2 of  
20 title 34, Code of Federal Regulations (as  
21 in effect on the date of enactment of this  
22 paragraph), upon completion of the pro-  
23 gram.



1           “(5) PARENT BORROWER ANNUAL AND AGGRE-  
2           GATE LIMITS FOR FEDERAL DIRECT PLUS LOANS  
3           BEGINNING JULY 1, 2026.—

4           “(A) ANNUAL LIMITS.—Subject to para-  
5           graph (8) and notwithstanding any provision of  
6           this part or part B, beginning on July 1, 2026,  
7           for each dependent student of a parent, the  
8           maximum annual amount of Federal Direct  
9           PLUS loans that the parent may borrow on be-  
10          half of the dependent student shall be \$20,000.

11          “(B) AGGREGATE LIMITS.—Subject to  
12          paragraph (8) and notwithstanding any provi-  
13          sion of this part or part B, beginning on July  
14          1, 2026, for each dependent student of a par-  
15          ent, the maximum aggregate amount of Federal  
16          Direct PLUS loans that the parent may borrow  
17          on behalf of the dependent student shall be  
18          \$65,000, without regard to any amounts repaid,  
19          forgiven, canceled, or otherwise discharged on  
20          any such loan.

21          “(6) LIFETIME MAXIMUM AGGREGATE AMOUNT  
22          FOR ALL STUDENTS.—Subject to paragraph (8) and  
23          notwithstanding any provision of this part or part B,  
24          beginning on July 1, 2026, the maximum aggregate  
25          amount of loans made, insured, or guaranteed under

1       this title that a student may borrow (other than a  
2       Federal Direct PLUS loan, or loan under section  
3       428B, made to the student as a parent borrower on  
4       behalf of a dependent student) shall be \$257,500,  
5       without regard to any amounts repaid, forgiven, can-  
6       celed, or otherwise discharged on any such loan.

7               “(7) ADDITIONAL RULES REGARDING ANNUAL  
8       LOAN LIMITS.—

9               “(A) LESS THAN FULL-TIME ENROLL-  
10       MENT.—Notwithstanding any provision of this  
11       part or part B, in any case in which a student  
12       is enrolled in a program of study of an institu-  
13       tion of higher education on less than a full-time  
14       basis during any academic year, the amount of  
15       a loan that student may borrow for an aca-  
16       demic year or its equivalent shall be reduced in  
17       direct proportion to the degree to which that  
18       student is not so enrolled on a full-time basis,  
19       rounded to the nearest whole percentage point,  
20       as provided in a schedule of reductions pub-  
21       lished by the Secretary computed for purposes  
22       of this subparagraph.

23               “(B) INSTITUTIONALLY DETERMINED LIM-  
24       ITS.—Notwithstanding the annual loan limits  
25       established under this section and, for under-

1 graduate students, under this part and part B,  
2 beginning on July 1, 2026, an institution of  
3 higher education (at the discretion of a finan-  
4 cial aid administrator at the institution) may  
5 limit the total amount of loans made under this  
6 part for a program of study for an academic  
7 year that a student may borrow, and that a  
8 parent may borrow on behalf of such student,  
9 as long as any such limit is applied consistently  
10 to all students enrolled in such program of  
11 study.

12 “(8) INTERIM EXCEPTION FOR CERTAIN STU-  
13 DENTS.—

14 “(A) APPLICATION OF PRIOR LIMITS.—  
15 Paragraphs (3)(C), (4), (5), and (6) shall not  
16 apply, and paragraph (3)(A)(ii) shall apply as  
17 such paragraph was in effect for periods of in-  
18 struction ending before June 30, 2026, during  
19 the expected time to credential described in  
20 subparagraph (B), with respect to an individual  
21 who, as of June 30, 2026—

22 “(i) is enrolled in a program of study  
23 at an institution of higher education; and

1 “(ii) has received a loan (or on whose  
2 behalf a loan was made) under this part  
3 for such program of study.

4 “(B) EXPECTED TIME TO CREDENTIAL.—  
5 For purposes of this paragraph, the expected  
6 time to credential of an individual shall be  
7 equal to the lesser of—

8 “(i) three academic years; or

9 “(ii) the period determined by calcu-  
10 lating the difference between—

11 “(I) the program length for the  
12 program of study in which the indi-  
13 vidual is enrolled; and

14 “(II) the period of such program  
15 of study that such individual has com-  
16 pleted as of the date of the determina-  
17 tion under this subparagraph.

18 “(C) DEFINITION OF PROGRAM LENGTH.—

19 In this paragraph, the term ‘program length’  
20 means the minimum amount of time in weeks,  
21 months, or years that is specified in the catalog,  
22 marketing materials, or other official publica-  
23 tions of an institution of higher education for a  
24 full-time student to complete the requirements  
25 for a specific program of study.”.

1       **Subtitle C—Loan Repayment**

2       **SEC. 82001. LOAN REPAYMENT.**

3       (a) TRANSITION TO INCOME-BASED REPAYMENT  
4 PLANS.—

5               (1) AUTHORITY TO TRANSITION TO INCOME-  
6 BASED REPAYMENT PLANS.—

7                       (A) AUTHORITY TO CARRY OUT TRANSI-  
8 TION.—Beginning on the date of enactment of  
9 this title, the Secretary of Education shall take  
10 such steps as may be necessary to apply the re-  
11 payment plan under section 493C of the Higher  
12 Education Act of 1965 (as amended by this  
13 title) to the loans of each borrower who, on the  
14 day before such date of enactment, is in a re-  
15 payment status in accordance with, or an ad-  
16 ministrative forbearance associated with, an in-  
17 come contingent repayment plan authorized  
18 under section 455(e) of the Higher Education  
19 Act of 1965 (as in effect on the day before the  
20 date of enactment of this title).

21                       (B) DEADLINE FOR TRANSITION.—The  
22 Secretary shall complete the application of the  
23 repayment plan under section 493C to the loans  
24 described in subparagraph (A) as soon as prac-

1            ticable, but not later than 9 months after the  
2            date of enactment of this title.

3            (2) WAIVER OF NEGOTIATED RULEMAKING.—

4            Any guidance or regulations issued or modified dur-  
5            ing the 270-day period after the date of enactment  
6            of this title, as necessary for the application of the  
7            repayment plan under section 493C of such Act in  
8            accordance with paragraph (1) or as necessary to  
9            implement the amendments to such section 493C  
10          made by subsection (f), shall not be subject to nego-  
11          tiated rulemaking requirements under section 492 of  
12          the Higher Education Act of 1965 (20 U.S.C.  
13          1098a).

14          (b) REPAYMENT PLANS.—Section 455(d) of the  
15          Higher Education Act of 1965 (20 U.S.C. 1087e(d)) is  
16          amended—

17                (1) in paragraph (1)—

18                        (A) in the matter preceding subparagraph  
19                        (A), by inserting “before July 1, 2026, who has  
20                        not received a loan made under this part on or  
21                        after July 1, 2026,” after “made under this  
22                        part”;

23                        (B) by amending subparagraph (D) to  
24                        read as follows:

1 “(D) beginning on July 1, 2026, the in-  
2 come-based Repayment Assistance Plan under  
3 subsection (q), provided that—

4 “(i) the borrower is required to pay  
5 each outstanding loan of the borrower  
6 made under this part under such Repay-  
7 ment Assistance Plan; and

8 “(ii) such Plan shall not be available  
9 to borrowers with an excepted loan (as de-  
10 fined in paragraph (7)); and”;  
11 (C) in subparagraph (E)—

12 (i) by striking “that enables borrowers  
13 who have a partial financial hardship to  
14 make a lower monthly payment”; and

15 (ii) by striking “a Federal Direct Con-  
16 solidation Loan, if the proceeds of such  
17 loan were used to discharge the liability on  
18 such Federal Direct PLUS Loan or a loan  
19 under section 428B made on behalf of a  
20 dependent student” and inserting “an ex-  
21 cepted Consolidation Loan (as defined in  
22 section 493C(a)(2))”;

23 (2) in paragraph (5), by amending subpara-  
24 graph (B) to read as follows:

1 “(B) repay the loan pursuant to an in-  
2 come-based repayment plan under subsection  
3 (q) or section 493C, as applicable.”; and  
4 (3) by adding at the end the following:

5 “(6) TERMINATION AND LIMITATION OF REPAY-  
6 MENT AUTHORITY.—

7 “(A) SUNSET OF REPAYMENT PLANS  
8 AVAILABLE BEFORE JULY 1, 2026.—Paragraphs  
9 (1) through (4) of this subsection shall only  
10 apply to loans made under this part before July  
11 1, 2026.

12 “(B) PROHIBITIONS.—The Secretary may  
13 not, for any loan made under this part on or  
14 after July 1, 2026—

15 “(i) authorize a borrower of such a  
16 loan to repay such loan pursuant to a re-  
17 payment plan that is not described in  
18 paragraph (7)(A); or

19 “(ii) carry out or modify a repayment  
20 plan that is not described in such para-  
21 graph.

22 “(7) REPAYMENT PLANS FOR LOANS MADE ON  
23 OR AFTER JULY 1, 2026.—

24 “(A) DESIGN AND SELECTION.—Beginning  
25 on July 1, 2026, the Secretary shall offer a bor-



1           rower of a loan made under this part on or  
2           after such date (including such a borrower who  
3           also has a loan made under this part before  
4           such date) two plans for repayment of the bor-  
5           rower's loans under this part, including prin-  
6           cipal and interest on such loans. The borrower  
7           shall be entitled to accelerate, without penalty,  
8           repayment on such loans. The borrower may  
9           choose—

10 “(i) a standard repayment plan—

11 “(I) with a fixed monthly repay-  
12 ment amount paid over a fixed period  
13 of time equal to the applicable period  
14 determined under subclause (II); and

“(II) with the applicable period of time for repayment determined based on the total outstanding principal of all loans of the borrower made under this part before, on, or after July 1, 2026, at the time the borrower is entering repayment under such plan, as follows—

23 “(aa) for a borrower with  
24 total outstanding principal of less

1 than \$25,000, a period of 10  
2 years;

3 “(bb) for a borrower with  
4 total outstanding principal of not  
5 less than \$25,000 and less than  
6 \$50,000, a period of 15 years;

7 “(cc) for a borrower with  
8 total outstanding principal of not  
9 less than \$50,000 and less than  
10 \$100,000, a period of 20 years;  
11 and

12 “(dd) for a borrower with  
13 total outstanding principal of  
14 \$100,000 or more, a period of 25  
15 years; or

16 “(ii) the income-based Repayment As-  
17 sistance Plan under subsection (q).

18 “(B) SELECTION BY SECRETARY.—If a  
19 borrower of a loan made under this part on or  
20 after July 1, 2026, does not select a repayment  
21 plan described in subparagraph (A), the Sec-  
22 retary shall provide the borrower with the  
23 standard repayment plan described in subpara-  
24 graph (A)(i).

1           “(C) SELECTION APPLIES TO ALL OUT-  
2           STANDING LOANS.—A borrower is required to  
3           pay each outstanding loan of the borrower  
4           made under this part under the same selected  
5           repayment plan.

6           “(D) CHANGES OF REPAYMENT PLAN.—A  
7           borrower may change the borrower’s selection  
8           of—

9                   “(i) the standard repayment plan  
10                  under subparagraph (A)(i), or the Sec-  
11                  retary’s selection of such plan for the bor-  
12                  rower under subparagraph (B), as the case  
13                  may be, to the Repayment Assistance Plan  
14                  under subparagraph (A)(ii) at any time;  
15                  and

16                   “(ii) the Repayment Assistance Plan  
17                  under subparagraph (A)(ii) to the standard  
18                  repayment plan under subparagraph (A)(i)  
19                  at any time.

20           “(E) SPECIAL RULE FOR EXCEPTED LOAN  
21           BORROWERS WITH LOANS MADE ON OR AFTER  
22           JULY 1, 2026.—

23                   “(i) STANDARD REPAYMENT PLAN RE-  
24                  QUIRED.—Notwithstanding subparagraphs  
25                  (A) through (D), beginning on July 1,

2026, the Secretary shall require a borrower who has an excepted loan and who has received a loan made under this part on or after such date to repay each excepted loan, including principal and interest on those excepted loans, under the standard repayment plan under subparagraph (A)(i). The borrower shall be entitled to accelerate, without penalty, repayment on such loans.

“(ii) EXCEPTED LOAN DEFINED.— For the purposes of this paragraph, the term ‘excepted loan’ means a loan with an outstanding balance that is—

“(I) a Federal Direct PLUS Loan that is made on behalf of a dependent student; or

“(II) a Federal Direct Consolidation Loan, if the proceeds of such loan were used to discharge the liability on—

“(aa) an excepted PLUS loan, as defined in section 493C(a)(1); or

1 “(bb) an excepted consolida-  
2 tion loan (as such term is defined  
3 in section 493C(a)(2)(A), not-  
4 withstanding subparagraph (B)  
5 of such section).”.

6 (c) ELIMINATION OF AUTHORITY TO PROVIDE IN-  
7 COME CONTINGENT REPAYMENT PLANS.—

8 (1) REPEAL.—Subsection (e) of section 455 of  
9 the Higher Education Act of 1965 (20 U.S.C.  
10 1087e(e)) is repealed.

11 (2) FURTHER AMENDMENTS TO ELIMINATE IN-  
12 COME CONTINGENT REPAYMENT.—

13 (A) Section 428 of the Higher Education  
14 Act of 1965 (20 U.S.C. 1078) is amended—

15 (i) in subsection (b)(1)(D), by striking  
16 “be subject to income contingent repay-  
17 ment in accordance with subsection (m)”  
18 and inserting “be subject to income-based  
19 repayment in accordance with subsection  
20 (m)”; and

21 (ii) in subsection (m)—

22 (I) in the subsection heading, by  
23 striking “INCOME CONTINGENT AND”;

24 (II) by amending paragraph (1)  
25 to read as follows:

1           “(1) AUTHORITY OF SECRETARY TO RE-  
2       QUIRE.—The Secretary may require borrowers who  
3       have defaulted on loans made under this part that  
4       are assigned to the Secretary under subsection  
5       (c)(8) to repay those loans pursuant to an income-  
6       based repayment plan under section 455(q) or sec-  
7       tion 493C, as applicable.”; and

8                               (III) in the heading of paragraph  
9                               (2), by striking “INCOME CONTINGENT  
10                              OR”.

11               (B) Section 428C of the Higher Education  
12       Act of 1965 (20 U.S.C. 1078–3) is amended—

13                       (i) in subsection (a)(3)(B)(i)(V)(aa),  
14                       by striking “for the purposes of obtaining  
15                       income contingent repayment or income-  
16                       based repayment” and inserting “for the  
17                       purposes of qualifying for an income-based  
18                       repayment plan under section 455(q) or  
19                       section 493C, as applicable”;

20                       (ii) in subsection (b)(5), by striking  
21                       “be repaid either pursuant to income con-  
22                       tingent repayment under part D of this  
23                       title, pursuant to income-based repayment  
24                       under section 493C, or pursuant to any  
25                       other repayment provision under this sec-

tion” and inserting “be repaid pursuant to an income-based repayment plan under section 493C or any other repayment provision under this section”; and

(iii) in subsection (c)—

(I) in paragraph (2)(A), by striking “or by the terms of repayment pursuant to income contingent repayment offered by the Secretary under subsection (b)(5)” and inserting “or by the terms of repayment pursuant to an income-based repayment plan under section 493C”; and

(II) in paragraph (3)(B), by striking “except as required by the terms of repayment pursuant to income contingent repayment offered by the Secretary under subsection (b)(5)” and inserting “except as required by the terms of repayment pursuant to an income-based repayment plan under section 493C”.

(C) Section 485(d)(1) of the Higher Education Act of 1965 (20 U.S.C. 1092(d)(1)) is amended by striking “income-contingent and”.

1 (D) Section 494(a)(2) of the Higher Edu-  
2 cation Act of 1965 (20 U.S.C. 1098h(a)(2)) is  
3 amended—

4 (i) in the paragraph heading, by strik-  
5 ing “INCOME-CONTINGENT AND INCOME-  
6 BASED” and inserting “INCOME-BASED”;  
7 and

8 (ii) in subparagraph (A)—

9 (I) in the matter preceding clause  
10 (i), by striking “income-contingent  
11 or”; and

12 (II) in clause (ii)(I), by inserting  
13 “(as in effect on the day before the  
14 date of repeal of subsection (e) of sec-  
15 tion 455)” after “section 455(e)(8)”.

16 (d) REPAYMENT ASSISTANCE PLAN.—Section 455 of  
17 the Higher Education Act of 1965 (20 U.S.C. 1087e) is  
18 amended by adding at the end the following new sub-  
19 section:

20 “(q) REPAYMENT ASSISTANCE PLAN.—

21 “(1) IN GENERAL.—Notwithstanding any other  
22 provision of this Act, beginning on July 1, 2026, the  
23 Secretary shall carry out an income-based repayment  
24 plan (to be known as the ‘Repayment Assistance



1 Plan'), that shall have the following terms and con-  
2 ditions:

3 “(A) The total monthly repayment amount  
4 owed by a borrower for all of the loans of the  
5 borrower that are repaid pursuant to the Re-  
6 payment Assistance Plan shall be equal to the  
7 applicable monthly payment of a borrower cal-  
8 culated under paragraph (3)(B), except that the  
9 borrower may not be precluded from repaying  
10 an amount that exceeds such amount for any  
11 month.

12 “(B) The Secretary shall apply the bor-  
13 rower's applicable monthly payment under this  
14 paragraph first toward interest due on each  
15 such loan, next toward any fees due on each  
16 loan, and then toward the principal of each  
17 loan.

18 “(C) Any principal due and not paid under  
19 subparagraph (B) or paragraph (2)(B) shall be  
20 deferred.

21 “(D) A borrower who is not in a period of  
22 deferment or forbearance shall make an appli-  
23 cable monthly payment for each month until the  
24 earlier of—

1 “(i) the date on which the outstanding  
2 balance of principal and interest due on all  
3 of the loans of the borrower that are re-  
4 paid pursuant to the Repayment Assist-  
5 ance Plan is \$0; or

6 “(ii) the date on which the borrower  
7 has made 360 qualifying monthly pay-  
8 ments.

9 “(E) The Secretary shall repay or cancel  
10 any outstanding balance of principal and inter-  
11 est due on a loan made under this part or part  
12 B to a borrower—

13 “(i) who, for any period of time, par-  
14 ticipated in the Repayment Assistance  
15 Plan under this subsection;

16 “(ii) whose most recent payment for  
17 such loan prior to the loan cancellation  
18 under this subparagraph was made under  
19 such Repayment Assistance Plan; and

20 “(iii) who has made 360 qualifying  
21 monthly payments on such loan.

22 “(F) For the purposes of this subsection,  
23 the term ‘qualifying monthly payment’ means  
24 any of the following:

1 “(i) An on-time applicable monthly  
2 payment under this subsection.

3 “(ii) An on-time monthly payment  
4 under the standard repayment plan under  
5 subsection (d)(7)(A)(i) of not less than the  
6 monthly payment required under such  
7 plan.

8 “(iii) A monthly payment under any  
9 repayment plan (excluding the Repayment  
10 Assistance Plan under this subsection) of  
11 not less than the monthly payment that  
12 would be required under a standard repay-  
13 ment plan under section 455(d)(1)(A) with  
14 a repayment period of 10 years.

15 “(iv) A monthly payment under sec-  
16 tion 493C of not less than the monthly  
17 payment required under such section, in-  
18 cluding a monthly payment equal to the  
19 minimum payment amount permitted  
20 under such section.

21 “(v) A monthly payment made before  
22 the date of enactment of this subsection  
23 under an income contingent repayment  
24 plan carried out under section  
25 455(d)(1)(D) (or under an alternative re-

1 payment plan in lieu of repayment under  
2 such an income contingent repayment plan,  
3 if placed in such an alternative repayment  
4 plan by the Secretary) of not less than the  
5 monthly payment required under such a  
6 plan, including a monthly payment equal  
7 to the minimum payment amount per-  
8 mitted under such a plan.

9 “(vi) A month when the borrower did  
10 not make a payment because the borrower  
11 was in deferment under subsection (f) or  
12 due to an economic hardship described in  
13 section 435(o).

14 “(vii) A month that ended before the  
15 date of enactment of this subsection when  
16 the borrower did not make a payment be-  
17 cause the borrower was in a period of  
18 deferment or forbearance described in sec-  
19 tion 685.209(k)(4)(iv) of title 34, Code of  
20 Federal Regulations (as in effect on the  
21 date of enactment of this subsection).

22 “(G) With respect to carrying out section  
23 494(a)(2) for the Repayment Assistance Plan,  
24 an individual may elect to opt out of the disclo-  
25 sures required under section 494(a)(2)(A)(ii) in

1           accordance with the procedures established  
2           under section 493C(c)(2)(B).

3           “(2) BALANCE ASSISTANCE FOR DISTRESSED  
4       BORROWERS.—

5           “(A) INTEREST SUBSIDY.—With respect to  
6           a borrower of a loan made under this part or  
7           part B, for each month for which such a bor-  
8           rower makes an on-time applicable monthly  
9           payment required under paragraph (1)(A) and  
10          such monthly payment is insufficient to pay the  
11          total amount of interest that accrues for the  
12          month on all loans of the borrower repaid pur-  
13          suant to the Repayment Assistance Plan under  
14          this subsection, the amount of interest accrued  
15          and not paid for the month shall not be charged  
16          to the borrower.

17          “(B) MATCHING PRINCIPAL PAYMENT.—  
18          With respect to a borrower of a loan made  
19          under this part or part B and not in a period  
20          of deferment or forbearance, for each month for  
21          which a borrower makes an on-time applicable  
22          monthly payment required under paragraph  
23          (1)(A) and such monthly payment reduces the  
24          total outstanding principal balance of all loans  
25          of the borrower repaid pursuant to the Repay-

1           ment Assistance Plan under this subsection by  
2           less than \$50, the Secretary shall reduce such  
3           total outstanding principal balance of the bor-  
4           rower by an amount that is equal to—

5                   “(i) the amount that is the lesser of—

6                           “(I) \$50; or

7                           “(II) the total amount paid by  
8                   the borrower for such month pursuant  
9                   to paragraph (1)(A); minus

10                   “(ii) the total amount paid by the bor-  
11           rower for such month pursuant to para-  
12           graph (1)(A) that is applied to such total  
13           outstanding principal balance.

14           “(3) ADDITIONAL DOCUMENTS.—A borrower  
15   who chooses, or is required, to repay a loan under  
16   this subsection, and for whom adjusted gross income  
17   is unavailable or does not reasonably reflect the bor-  
18   rower’s current income, shall provide to the Sec-  
19   retary other documentation of income satisfactory to  
20   the Secretary, which documentation the Secretary  
21   may use to determine repayment under this sub-  
22   section.

23           “(4) DEFINITIONS.—In this subsection:

24                   “(A) ADJUSTED GROSS INCOME.—The  
25           term ‘adjusted gross income’, when used with

1           respect to a borrower, means the adjusted gross  
2           income (as such term is defined in section 62  
3           of the Internal Revenue Code of 1986) of the  
4           borrower (and the borrower's spouse, as appli-  
5           cable) for the most recent taxable year.

6           “(B) APPLICABLE MONTHLY PAYMENT.—

7                   “(i) IN GENERAL.—Except as pro-  
8                   vided in clause (ii), (iii), or (vi), the term  
9                   ‘applicable monthly payment’ means, when  
10                  used with respect to a borrower, the  
11                  amount equal to—

12                           “(I) the applicable base payment  
13                           of the borrower, divided by 12; minus

14                           “(II) \$50 for each dependent of  
15                           the borrower.

16                   “(ii) MINIMUM AMOUNT.—In the case  
17                   of a borrower with an applicable monthly  
18                   payment amount calculated under clause  
19                   (i) that is less than \$10, the applicable  
20                   monthly payment of the borrower shall be  
21                   \$10.

22                   “(iii) FINAL PAYMENT.—In the case  
23                   of a borrower whose total outstanding bal-  
24                   ance of principal and interest on all of the  
25                   loans of the borrower that are repaid pur-

1           suant to the Repayment Assistance Plan is  
2           less than the applicable monthly payment  
3           calculated pursuant to clause (i) or (ii), as  
4           applicable, then the applicable monthly  
5           payment of the borrower shall be the total  
6           outstanding balance of principal and inter-  
7           est on all such loans.

8           “(iv) BASE PAYMENT.—The amount  
9           of the applicable base payment for a bor-  
10          rower with an adjusted gross income of—

11               “(I) not more than \$10,000, is  
12               \$120;

13               “(II) more than \$10,000 and not  
14               more than \$20,000, is 1 percent of  
15               such adjusted gross income;

16               “(III) more than \$20,000 and  
17               not more than \$30,000, is 2 percent  
18               of such adjusted gross income;

19               “(IV) more than \$30,000 and  
20               not more than \$40,000, is 3 percent  
21               of such adjusted gross income;

22               “(V) more than \$40,000 and not  
23               more than \$50,000, is 4 percent of  
24               such adjusted gross income;



1 “(VI) more than \$50,000 and  
2 not more than \$60,000, is 5 percent  
3 of such adjusted gross income;

4 “(VII) more than \$60,000 and  
5 not more than \$70,000, is 6 percent  
6 of such adjusted gross income;

7 “(VIII) more than \$70,000 and  
8 not more than \$80,000, is 7 percent  
9 of such adjusted gross income;

10 “(IX) more than \$80,000 and  
11 not more than \$90,000, is 8 percent  
12 of such adjusted gross income;

13 “(X) more than \$90,000 and not  
14 more than \$100,000, is 9 percent of  
15 such adjusted gross income; and

16 “(XI) more than \$100,000, is 10  
17 percent of such adjusted gross in-  
18 come.

19 “(v) DEPENDENT.—For the purposes  
20 of this paragraph, the term ‘dependent’  
21 means an individual who is a dependent  
22 under section 152 of the Internal Revenue  
23 Code of 1986.

24 “(vi) SPECIAL RULE.—In the case of  
25 a borrower who is required by the Sec-

1           retary to provide information to the Sec-  
2           retary to determine the applicable monthly  
3           payment of the borrower under this sub-  
4           paragraph, and who does not comply with  
5           such requirement, the applicable monthly  
6           payment of the borrower shall be—

7                       “(I) the sum of the monthly pay-  
8                       ment amounts the borrower would  
9                       have paid for each of the borrower’s  
10                      loans made under this part under a  
11                      standard repayment plan with a fixed  
12                      monthly repayment amount, paid over  
13                      a period of 10 years, based on the  
14                      outstanding principal due on such  
15                      loan when such loan entered repay-  
16                      ment; and

17                     “(II) determined pursuant to this  
18                     clause until the date on which the bor-  
19                     rower provides such information to  
20                     the Secretary.”.

21           (e)   FEDERAL   CONSOLIDATION   LOANS.—Section  
22   455(g) of the Higher Education Act of 1965 (20 U.S.C.  
23   1087e(g)) is amended by adding at the end the following  
24   new paragraph:

1           “(3) CONSOLIDATION LOANS MADE ON OR  
2       AFTER JULY 1, 2026.—Notwithstanding subsections  
3       (b)(5), (c)(2), and (c)(3)(A) and (B) of section  
4       428C, a Federal Direct Consolidation Loan offered  
5       to a borrower under this part on or after July 1,  
6       2026, may only be repaid pursuant to a repayment  
7       plan described in clause (i) or (ii) of subsection  
8       (d)(7)(A) of this section, as applicable, and the re-  
9       payment schedule of such a Consolidation Loan shall  
10      be determined in accordance with such repayment  
11      plan.”.

12      (f) INCOME-BASED REPAYMENT.—

13           (1) AMENDMENTS.—

14           (A) EXCEPTED CONSOLIDATION LOAN DE-  
15      FINED.—Section 493C(a)(2) of the Higher  
16      Education Act of 1965 (20 U.S.C. 1098e(a)(2))  
17      is amended to read as follows:

18           “(2) EXCEPTED CONSOLIDATION LOAN.—

19           “(A) IN GENERAL.—The term ‘excepted  
20      consolidation loan’ means—

21           “(i) a consolidation loan under section  
22           428C, or a Federal Direct Consolidation  
23           Loan, if the proceeds of such loan were  
24           used to the discharge the liability on an ex-  
25           cepted PLUS loan; or

1 “(ii) a consolidation loan under sec-  
2 tion 428C, or a Federal Direct Consolida-  
3 tion Loan, if the proceeds of such loan  
4 were used to discharge the liability on a  
5 consolidation loan under section 428C, or a  
6 Federal Direct Consolidation Loan de-  
7 scribed in clause (i).

8 “(B) EXCLUSION.—The term ‘excepted  
9 consolidation loan’ does not include a Federal  
10 Direct Consolidation Loan described in sub-  
11 paragraph (A) that (on the day before the date  
12 of enactment of this subparagraph) was being  
13 repaid pursuant to the Income Contingent Re-  
14 payment (ICR) plan in accordance with section  
15 685.209(b) of title 34, Code of Federal Regula-  
16 tions (as in effect on June 30, 2023).”.

17 (B) TERMINATION OF PARTIAL FINANCIAL  
18 HARDSHIP ELIGIBILITY.—Section 493C(a)(3) of  
19 the Higher Education Act of 1965 (20 U.S.C.  
20 1098e(a)(3)) is amended to read as follows:

21 “(3) APPLICABLE AMOUNT.—The term ‘applica-  
22 ble amount’ means 15 percent of the result obtained  
23 by calculating, on at least an annual basis, the  
24 amount by which—

1           “(A) the borrower’s, and the borrower’s  
2           spouse’s (if applicable), adjusted gross income;  
3           exceeds

4           “(B) 150 percent of the poverty line appli-  
5           cable to the borrower’s family size as deter-  
6           mined under section 673(2) of the Community  
7           Services Block Grant Act (42 U.S.C.  
8           9902(2)).”.

9           (C) TERMS OF INCOME-BASED REPAY-  
10          MENT.—Section 493C(b) of the Higher Edu-  
11          cation Act of 1965 (20 U.S.C. 1098e(b)) is  
12          amended—

13                 (i) by amending paragraph (1) to read  
14                 as follows:

15                 “(1) a borrower of any loan made, insured, or  
16                 guaranteed under part B or D (other than an ex-  
17                 cepted PLUS loan or excepted consolidation loan),  
18                 may elect to have the borrower’s aggregate monthly  
19                 payment for all such loans not exceed the applicable  
20                 amount divided by 12;”;

21                 (ii) in paragraph (3)—

22                         (I) in subparagraph (B)—

23                                 (aa) in clause (i)—

24   (AA) by striking sub-  
25   clause (II); and

1 (BB) by striking “the  
2 borrower” and all the fol-  
3 lows through “ends” and in-  
4 serting “the borrower ends”;  
5 and

6 (bb) in clause (ii)—

7 (AA) by striking sub-  
8 clause (II);

9 (BB) by striking “the  
10 borrower” and all the fol-  
11 lows through “ends” and in-  
12 serting “the borrower ends”;  
13 and

14 (CC) by striking “or”  
15 at the end;

16 (iii) in paragraph (6), by striking “no  
17 longer has a partial financial hardship or”;

18 (iv) in paragraph (7)(B)(iv), by in-  
19 serting “(as such section was in effect on  
20 the day before the date of the repeal of  
21 section 455(e)” after “section  
22 455(d)(1)(D)”;

23 (v) in paragraph (8), by inserting “or  
24 the Repayment Assistance Program under

1 section 455(q)” after “standard repayment  
2 plan”.

3 (D) ELIGIBILITY DETERMINATIONS.—Sec-  
4 tion 493C(c)(2) of the Higher Education Act of  
5 1965 (20 U.S.C. 1098e(c)(2)) is further amend-  
6 ed—

7 (i) in subparagraph (A), by inserting  
8 “(as in effect on the day before the date of  
9 repeal of subsection (e) of section 455)”  
10 after “section 455(e)(1)”; and

11 (ii) in subparagraph (B), by inserting  
12 “(as in effect on the day before the date of  
13 repeal of subsection (e) of section 455)”  
14 after “section 455(e)(8)”.

15 (E) SPECIAL TERMS FOR NEW BORROWERS  
16 ON AND AFTER JULY 1, 2014.—Section 493C(e)  
17 of the Higher Education Act of 1965 (20  
18 U.S.C. 1098e(e)) is amended—

19 (i) in the subsection heading, by in-  
20 serting “AND BEFORE JULY 1, 2026”  
21 after “AFTER JULY 1, 2014”; and

22 (ii) by inserting “and before July 1,  
23 2026” after “after July 1, 2014”.

24 (2) EFFECTIVE DATE AND APPLICATION.—The  
25 amendments made by this subsection shall take ef-

1       fect on the date of enactment of this title, and shall  
2       apply with respect to any borrower who is in repay-  
3       ment before, on, or after the date of enactment of  
4       this title.

5   **SEC. 82002. DEFERMENT; FORBEARANCE.**

6       (a) SUNSET OF ECONOMIC HARDSHIP AND UNEM-  
7   PLOYMENT DEFERMENTS.—Section 455(f) of the Higher  
8   Education Act of 1965 (20 U.S.C.1087e(f)) is amended—

9           (1) by striking the subsection heading and in-  
10       serting the following: “DEFERMENT; FORBEAR-  
11       ANCE”;

12           (2) in paragraph (2)—

13               (A) in subparagraph (B), by striking “not  
14       in” and inserting “subject to paragraph (7), not  
15       in”; and

16               (B) in subparagraph (D), by striking “not  
17       in” and inserting “subject to paragraph (7), not  
18       in”; and

19           (3) by adding at the end the following:

20               “(7) SUNSET OF UNEMPLOYMENT AND ECO-  
21   NOMIC HARDSHIP DEFERMENTS.—A borrower who  
22   receives a loan made under this part on or after  
23   July 1, 2026, shall not be eligible to defer such loan  
24   under subparagraph (B) or (D) of paragraph (2).”.



1 (b) FORBEARANCE ON LOANS MADE UNDER THIS  
2 PART ON OR AFTER JULY 1, 2026.—Section 455(f) of the  
3 Higher Education Act of 1965 (20 U.S.C. 1087e(f)) is  
4 amended by adding at the end the following:

5 “(8) FORBEARANCE ON LOANS MADE UNDER  
6 THIS PART ON OR AFTER JULY 1, 2026.—A borrower  
7 who receives a loan made under this part on or after  
8 July 1, 2026 may only be eligible for a forbearance  
9 on such loan pursuant to section 428(c)(3)(B) that  
10 does not exceed 9 months during any 24-month pe-  
11 riod.”.

12 **SEC. 82003. LOAN REHABILITATION.**

13 (a) UPDATING LOAN REHABILITATION LIMITS.—

14 (1) FFEL AND DIRECT LOANS.—Section  
15 428F(a)(5) of the Higher Education Act of 1965  
16 (20 U.S.C. 1078–6(a)(5)) is amended by striking  
17 “one time” and inserting “two times”.

18 (2) PERKINS LOANS.—Section 464(h)(1)(D) of  
19 the Higher Education Act of 1965 (20 U.S.C.  
20 1087dd(h)(1)(D)) is amended by striking “once”  
21 and inserting “twice”.

22 (3) EFFECTIVE DATE.—The amendments made  
23 by this subsection shall take effect on the date of en-  
24 actment of this Act, and shall apply with respect to  
25 any loan made, insured, or guaranteed under title IV

1 of the Higher Education Act of 1965 (20 U.S.C.  
2 1070 et seq.).

3 (b) MINIMUM MONTHLY PAYMENT AMOUNT.—Sec-  
4 tion 428F(a)(1)(B) of the Higher Education Act of 1965  
5 (20 U.S.C. 1078–6(a)(1)(B)) is amended by adding at the  
6 end the following: “With respect to a borrower who has  
7 1 or more loans made under part D on or after July 1,  
8 2026 that are described in subparagraph (A), the total  
9 monthly payment of the borrower for all such loans shall  
10 not be less than \$10.”.

11 **SEC. 82004. PUBLIC SERVICE LOAN FORGIVENESS.**

12 (a) REPAYMENT ASSISTANCE PLAN.—Section  
13 455(m)(1)(A) of the Higher Education Act of 1965 (20  
14 U.S.C. 1087e(m)(1)(A)) is amended—

15 (1) in clause (iii), by striking “; or” and insert-  
16 ing a semicolon;

17 (2) in clause (iv), by striking “; and” and in-  
18 serting “(as in effect on the day before the date of  
19 the repeal of subsection (e) of this section); or”; and

20 (3) by adding at the end the following new  
21 clause:

22 “(v) on-time payments under the Re-  
23 payment Assistance Plan under subsection  
24 (q); and”.

1 (b) PUBLIC SERVICE JOB.—Section 455(m)(3)(B) of  
2 the Higher Education Act of 1965 (20 U.S.C.  
3 1087e(m)(3)(B)) is amended—

4 (1) by redesignating clauses (i) and (ii) as sub-  
5 clauses (I) and (II), respectively, and adjusting the  
6 margins accordingly;

7 (2) by striking “The term” and inserting the  
8 following:

9 “(i) IN GENERAL.—The term”; and

10 (3) by adding at the end the following:

11 “(ii) EXCLUSION.—The term ‘public  
12 service job’ does not include time served in  
13 a medical or dental internship or residency  
14 program (as such program is described in  
15 section 428(c)(3)(A)(i)(I)) by an individual  
16 who, as of June 30, 2026, has not bor-  
17 rowed a Federal Direct PLUS Loan or a  
18 Federal Direct Unsubsidized Stafford  
19 Loan for a program of study that awards  
20 a graduate credential upon completion of  
21 such program.”.

22 **SEC. 82005. STUDENT LOAN SERVICING.**

23 Paragraph (1) of section 458(a) of the Higher Edu-  
24 cation Act of 1965 (20 U.S.C. 1087h(a)(1)) is amended  
25 to read as follows:

1           “(1) ADDITIONAL MANDATORY FUNDS FOR  
2       SERVICING.—There shall be available to the Sec-  
3       retary (in addition to any other amounts appro-  
4       priated under any appropriations Act for administra-  
5       tive costs under this part and part B and out of any  
6       money in the Treasury not otherwise appropriated)  
7       \$1,000,000,000 to be obligated for administrative  
8       costs under this part and part B, including the costs  
9       of servicing the direct student loan programs under  
10      this part, which shall remain available until ex-  
11      pended.”.

## 12                   **Subtitle D—Pell Grants**

### 13   **SEC. 83001. ELIGIBILITY.**

14       (a) FOREIGN INCOME AND FEDERAL PELL GRANT  
15   ELIGIBILITY.—

16           (1) ADJUSTED GROSS INCOME DEFINED.—Sec-  
17       tion 401(a)(2)(A) of the Higher Education Act of  
18       1965 (20 U.S.C. 1070a(a)(2)(A)) is amended to  
19       read as follows:

20                   “(A) the term ‘adjusted gross income’  
21       means—

22                           “(i) in the case of a dependent stu-  
23                   dent, for the second tax year preceding the  
24                   academic year—

1 “(I) the adjusted gross income  
2 (as defined in section 62 of the Inter-  
3 nal Revenue Code of 1986) of the stu-  
4 dent’s parents; plus

5 “(II) for Federal Pell Grant de-  
6 terminations made for academic years  
7 beginning on or after July 1, 2026,  
8 the foreign income (as described in  
9 section 480(b)(5)) of the student’s  
10 parents; and

11 “(ii) in the case of an independent  
12 student, for the second tax year preceding  
13 the academic year—

14 “(I) the adjusted gross income  
15 (as defined in section 62 of the Inter-  
16 nal Revenue Code of 1986) of the stu-  
17 dent (and the student’s spouse, if ap-  
18 plicable); plus

19 “(II) for Federal Pell Grant de-  
20 terminations made for academic years  
21 beginning on or after July 1, 2026,  
22 the foreign income (as described in  
23 section 480(b)(5)) of the student (and  
24 the student’s spouse, if applicable);”.

1           (2) SUNSET.—Section 401(b)(1)(D) of the  
2       Higher Education Act of 1965 (20 U.S.C.  
3       1070a(b)(1)(D)) is amended—

4           (A) by striking “A student” and inserting  
5       “For each academic year beginning before July  
6       1, 2026, a student”; and

7           (B) by inserting “, as in effect for such  
8       academic year,” after “section  
9       479A(b)(1)(B)(v)”.

10       (3) CONFORMING AMENDMENTS.—

11           (A) IN GENERAL.—Section 479A(b)(1)(B)  
12       of the Higher Education Act of 1965 (20  
13       U.S.C. 1087tt(b)(1)(B)) is amended—

14           (i) by striking clause (v); and

15           (ii) by redesignating clauses (vi) and  
16       (vii) as clauses (v) and (vi), respectively.

17           (B) EFFECTIVE DATE.—The amendment  
18       made by subparagraph (A) shall take effect on  
19       July 1, 2026.

20       (b) FEDERAL PELL GRANT INELIGIBILITY DUE TO  
21       A HIGH STUDENT AID INDEX.—

22           (1) IN GENERAL.—Section 401(b)(1) of the  
23       Higher Education Act of 1965 (20 U.S.C. 1070a–  
24       1(b)(1)) is amended by adding at the end the fol-  
25       lowing:

1                   “(F) INELIGIBILITY OF STUDENTS WITH A  
2                   HIGH STUDENT AID INDEX.—Notwithstanding  
3                   subparagraphs (A) through (E), a student shall  
4                   not be eligible for a Federal Pell Grant under  
5                   this subsection for an academic year in which  
6                   the student has a student aid index that equals  
7                   or exceeds twice the amount of the total max-  
8                   imum Federal Pell Grant for such academic  
9                   year.”.

10                  (2) EFFECTIVE DATE.—The amendment made  
11                  by paragraph (1) shall take effect on July 1, 2026.

12   **SEC. 83002. WORKFORCE PELL GRANTS.**

13                  (a) IN GENERAL.—Section 401 of the Higher Edu-  
14                  cation Act of 1965 (20 U.S.C. 1070a) is amended by add-  
15                  ing at the end the following:

16                  “(k) WORKFORCE PELL GRANT PROGRAM.—

17                         “(1) IN GENERAL.—For the award year begin-  
18                         ning on July 1, 2026, and each subsequent award  
19                         year, the Secretary shall award grants (to be known  
20                         as ‘Workforce Pell Grants’) to eligible students  
21                         under paragraph (2) in accordance with this sub-  
22                         section.

23                         “(2) ELIGIBLE STUDENTS.—To be eligible to  
24                         receive a Workforce Pell Grant under this subsection  
25                         for any period of enrollment, a student shall meet

1 the eligibility requirements for a Federal Pell Grant  
2 under this section, except that the student—

3 “(A) shall be enrolled, or accepted for en-  
4 rollment, in an eligible program under section  
5 481(b)(3) (hereinafter referred to as an ‘eligible  
6 workforce program’); and

7 “(B) may not—

8 “(i) be enrolled, or accepted for enroll-  
9 ment, in a program of study that leads to  
10 a graduate credential; or

11 “(ii) have attained such a credential.

12 “(3) TERMS AND CONDITIONS OF AWARDS.—

13 The Secretary shall award Workforce Pell Grants  
14 under this subsection in the same manner and with  
15 the same terms and conditions as the Secretary  
16 awards Federal Pell Grants under this section, ex-  
17 cept that—

18 “(A) each use of the term ‘eligible pro-  
19 gram’ (except in subsection (b)(9)(A)) shall be  
20 substituted by ‘eligible workforce program  
21 under section 481(b)(3)’;

22 “(B) the provisions of subsection (d)(2)  
23 shall not be applicable to eligible workforce pro-  
24 grams; and



1                   “(C) a student who is eligible for a grant  
2                   equal to less than the amount of the minimum  
3                   Federal Pell Grant because the eligible work-  
4                   force program in which the student is enrolled  
5                   or accepted for enrollment is less than an aca-  
6                   demic year (in hours of instruction or weeks of  
7                   duration) may still be eligible for a Workforce  
8                   Pell Grant in an amount that is prorated based  
9                   on the length of the program.

10                  “(4) PREVENTION OF DOUBLE BENEFITS.—No  
11                  eligible student described in paragraph (2) may con-  
12                  currently receive a grant under both this subsection  
13                  and—

14                         “(A) subsection (b); or

15                         “(B) subsection (c).

16                  “(5) DURATION LIMIT.—Any period of study  
17                  covered by a Workforce Pell Grant awarded under  
18                  this subsection shall be included in determining a  
19                  student’s duration limit under subsection (d)(5).”.

20                  (b) PROGRAM ELIGIBILITY FOR WORKFORCE PELL  
21                  GRANTS.—Section 481(b) of the Higher Education Act of  
22                  1965 (20 U.S.C. 1088(b)) is amended—

23                         (1) by redesignating paragraphs (3) and (4) as  
24                         paragraphs (4) and (5), respectively; and

1           (2) by inserting after paragraph (2) the fol-  
2       lowing:

3           “(3)(A) A program is an eligible program for  
4       purposes of the Workforce Pell Grant program  
5       under section 401(k) only if—

6           “(i) it is a program of at least 150 clock  
7       hours of instruction, but less than 600 clock  
8       hours of instruction, or an equivalent number of  
9       credit hours, offered by an eligible institution  
10      during a minimum of 8 weeks, but less than 15  
11      weeks;

12          “(ii) it is not offered as a correspondence  
13      course, as defined in 600.2 of title 34, Code of  
14      Federal Regulations (as in effect on September  
15      20, 2020);

16          “(iii) the Governor of a State, after con-  
17      sultation with the State board, determines that  
18      the program—

19           “(I) provides an education aligned  
20          with the requirements of high-skill, high-  
21          wage (as identified by the State pursuant  
22          to section 122 of the Carl D. Perkins Ca-  
23          reer and Technical Education Act (20  
24          U.S.C. 2342)), or in-demand industry sec-  
25          tors or occupations;

1 “(II) meets the hiring requirements of  
2 potential employers in the sectors or occu-  
3 pations described in subclause (I);

4 “(III) either—

5 “(aa) leads to a recognized post-  
6 secondary credential that is stackable  
7 and portable across more than one  
8 employer; or

9 “(bb) with respect to students  
10 enrolled in the program—

11 “(AA) prepares such stu-  
12 dents for employment in an occu-  
13 pation for which there is only one  
14 recognized postsecondary creden-  
15 tial; and

16 “(BB) provides such stu-  
17 dents with such a credential upon  
18 completion of such program; and

19 “(IV) prepares students to pursue 1  
20 or more certificate or degree programs at  
21 1 or more institutions of higher education  
22 (which may include the eligible institution  
23 providing the program), including by en-  
24 suring—

1                   “(aa) that a student, upon com-  
2                   pletion of the program and enrollment  
3                   in such a related certificate or degree  
4                   program, will receive academic credit  
5                   for the Workforce Pell program that  
6                   will be accepted toward meeting such  
7                   certificate or degree program require-  
8                   ments; and

9                   “(bb) the acceptability of such  
10                  credit toward meeting such certificate  
11                  or degree program requirements; and

12               “(iv) after the Governor of such State  
13               makes the determination that the program  
14               meets the requirements under clause (iii), the  
15               Secretary determines that—

16               “(I) the program has been offered by  
17               the eligible institution for not less than 1  
18               year prior to the date on which the Sec-  
19               retary makes a determination under this  
20               clause;

21               “(II) for each award year, the pro-  
22               gram has a verified completion rate of at  
23               least 70 percent, within 150 percent of the  
24               normal time for completion;

1 “(III) for each award year, the pro-  
2 gram has a verified job placement rate of  
3 at least 70 percent, measured 180 days  
4 after completion; and

5 “(IV) for each award year, the total  
6 amount of the published tuition and fees of  
7 the program for such year is an amount  
8 that does not exceed the value-added earn-  
9 ings of students who received Federal fi-  
10 nancial aid under this title and who com-  
11 pleted the program 3 years prior to the  
12 award year, as such earnings are deter-  
13 mined by calculating the difference be-  
14 tween—

15 “(aa) the median earnings of  
16 such students, as adjusted by the  
17 State and metropolitan area regional  
18 price parities of the Bureau of Eco-  
19 nomic Analysis based on the location  
20 of such program; and

21 “(bb) 150 percent of the poverty  
22 line applicable to a single individual  
23 as determined under section 673(2) of  
24 the Community Services Block Grant

1 Act (42 U.S.C. 9902(2)) for such  
2 year.

3 “(B) In this paragraph:

4 “(i) The term ‘eligible institution’ means  
5 an institution of higher education (as defined in  
6 section 102), or any other entity that has en-  
7 tered into a program participation agreement  
8 with the Secretary under section 487(a), which  
9 has not been subject, during any of the pre-  
10 ceding 3 years, to—

11 “(I) any suspension, emergency ac-  
12 tion, or termination under this title;

13 “(II) in the case of an institution of  
14 higher education, any adverse action by the  
15 institution’s accrediting agency or associa-  
16 tion that revokes or denies accreditation  
17 for the institution; or

18 “(III) any final action by the State in  
19 which the institution or other entity holds  
20 its legal domicile, authorization, or accredi-  
21 tation that revokes the institution’s or enti-  
22 ty’s license or other authority to operate in  
23 such State.

24 “(ii) The term ‘Governor’ means the chief  
25 executive of a State.

1           “(iii) The terms ‘industry or sector part-  
2           nership’, ‘in-demand industry sector or occupa-  
3           tion’, ‘recognized postsecondary credential’, and  
4           ‘State board’ have the meanings given such  
5           terms in section 3 of the Workforce Innovation  
6           and Opportunity Act.”.

7           (c) STUDENT ELIGIBILITY.—Section 484(a)(1) of the  
8           Higher Education Act of 1965 (20 U.S.C. 1091(a)(1)) is  
9           amended by inserting “or, for purposes of section 401(k),  
10          at an entity (other than an institution of higher education)  
11          that meets the requirements of section 481(b)(3)(B)(i)”  
12          after “section 487”.

13          (d) EFFECTIVE DATE; APPLICABILITY.—The amend-  
14          ments made by this section shall take effect on July 1,  
15          2026, and shall apply with respect to award year 2026–  
16          2027 and each succeeding award year.

17   **SEC. 83003. PELL SHORTFALL.**

18          Section 401(b)(7)(A)(iii) of the Higher Education  
19          Act of 1965 (20 U.S.C. 1070a(b)(7)(A)(iii)) is amended  
20          by striking “\$2,170,000,000” and inserting  
21          “\$12,670,000,000”.

1   **SEC. 83004. FEDERAL PELL GRANT EXCLUSION RELATING**  
2                   **TO OTHER GRANT AID.**

3           Section 401(d) of the Higher Education Act of 1965  
4   (20 U.S.C. 1070a(d)) is amended by adding at the end  
5   the following:

6           “(6) EXCLUSION.—

7                   “(A) IN GENERAL.—Beginning on July 1,  
8           2026, and notwithstanding this subsection or  
9           subsection (b), a student shall not be eligible  
10          for a Federal Pell Grant under subsection (b)  
11          during any period for which the student re-  
12          ceives grant aid from sources other than under  
13          this title, including other Federal sources,  
14          States, institutions of higher education, or pri-  
15          vate sources, in an amount that equals or ex-  
16          ceeds the student’s cost of attendance for such  
17          period.

18                  “(B) MAXIMUM PERIOD ADJUSTMENT.—  
19          Notwithstanding paragraph (5), the maximum  
20          period during which a student may receive Fed-  
21          eral Pell Grants under paragraph (5)(A) shall  
22          be reduced by any period during which a stu-  
23          dent is not eligible for a Federal Pell Grant  
24          under subparagraph (A).”.



1                   **Subtitle E—Accountability**

2   **SEC. 84001. INELIGIBILITY BASED ON LOW EARNING OUT-**  
3                   **COMES.**

4           Section 454 of the Higher Education Act of 1965 (20  
5   U.S.C. 1087d) is amended—

6               (1) in subsection (a)—

7                   (A) in paragraph (5), by striking “and”  
8                   after the semicolon;

9                   (B) by redesignating paragraph (6) as  
10                  paragraph (7); and

11                  (C) by inserting after paragraph (5) the  
12                  following:

13                  “(6) provide assurances that, beginning July 1,  
14                  2026, the institution will comply with all require-  
15                  ments of subsection (c); and”;

16                  (2) in subsection (b)(2), by striking “and (6)”  
17                  and inserting “(6), and (7)”;

18                  (3) by redesignating subsection (c) as sub-  
19                  section (d); and

20                  (4) by inserting after subsection (b) the fol-  
21                  lowing:

22                  “(c) INELIGIBILITY FOR CERTAIN PROGRAMS BASED  
23   ON LOW EARNING OUTCOMES.—

24                  “(1) UNDERGRADUATE PROGRAM INELIGI-  
25                  BILITY.—

1           “(A) IN GENERAL.—Notwithstanding sec-  
2           tion 481(b), an institution of higher education  
3           subject to this subsection shall not use funds  
4           under this part for undergraduate student en-  
5           rollment in an educational program offered by  
6           the institution that is described in subpara-  
7           graph (B).

8           “(B) LOW-EARNING OUTCOME UNDER-  
9           GRADUATE PROGRAMS DESCRIBED.—An edu-  
10          cational program at an institution is described  
11          in this subparagraph if the program awards a  
12          bachelor’s or a lesser degree, for which the me-  
13          dian earnings of the programmatic cohort of  
14          students who received funds under this title for  
15          enrollment in such program, who exited such  
16          program during the academic year that is 4  
17          years before the year of the determination  
18          (through either completion of the program or  
19          ceasing enrollment and not re-enrolling in the  
20          same program at any point through the year of  
21          the determination), who are not enrolled in any  
22          institution of higher education, and who are  
23          working, are, for not less than 2 of the 3 years  
24          immediately preceding the date of the deter-  
25          mination, less than the median earnings of a

1 working adult who, for the corresponding year,  
2 is aged 25 to 34, has only a high school di-  
3 ploma or its recognized equivalent, and is not  
4 enrolled in an institution of higher education,  
5 as determined under subparagraph (C) and in  
6 accordance with subparagraph (D).

7 “(C) CALCULATION OF MEDIAN EARN-  
8 INGS.—For purposes of applying subparagraph  
9 (B) to an educational program at an institu-  
10 tion, the median earnings of a working adult  
11 who is aged 25 to 34, has only a high school  
12 diploma or its recognized equivalent, and is not  
13 enrolled in an institution of higher education  
14 shall be based on data from the Bureau of the  
15 Census—

16 “(i) for the State in which the institu-  
17 tion is located; or

18 “(ii) if fewer than 50 percent of the  
19 students enrolled in the institution reside  
20 in the State where the institution is lo-  
21 cated, for the entire United States.

22 “(D) SMALL COHORTS.—For any year for  
23 which the programmatic cohort for an institu-  
24 tion is fewer than 30 individuals, the Secretary  
25 shall—

1 “(i) first, aggregate additional years  
2 of programmatic data in order to achieve a  
3 cohort of at least 30 individuals; and

4 “(ii) second, aggregate additional co-  
5 hort years of programmatic data for de-  
6 grees of equivalent length in order to  
7 achieve a cohort of at least 30 individuals.

8 “(E) APPEALS PROCESS.—An educational  
9 program shall not lose eligibility under this  
10 paragraph unless the institution has had the  
11 opportunity to appeal the programmatic median  
12 earnings of students working and not enrolled  
13 determination under subparagraph (B), through  
14 a process established by the Secretary. During  
15 such appeal, the Secretary may permit the edu-  
16 cational program to continue to participate in  
17 the program under this part.

18 “(2) GRADUATE OR PROFESSIONAL PROGRAM  
19 ELIGIBILITY.—

20 “(A) IN GENERAL.—Notwithstanding sec-  
21 tion 481(b), an institution subject to this sub-  
22 section shall not use funds under this part for  
23 graduate or professional student enrollment in  
24 an educational program offered by the institu-  
25 tion that is described in subparagraph (B).

1 “(B) LOW-EARNING OUTCOME GRADUATE  
2 OR PROFESSIONAL PROGRAMS DESCRIBED.—An  
3 educational program at an institution is de-  
4 scribed in this subparagraph if the program is  
5 a program—

“(i) in the case of a graduate or professional program that requires less than 3 academic years (on a full-time basis) for completion, for which the median earnings of the programmatic cohort of students who received funds under this title for enrollment in such program, who entered into such program during the academic year that is 6 years before the year of the determination, who are no longer enrolled in any institution of higher education, and who are working, are, for not less than 2 of the 3 years immediately preceding the date of the determination, less than the median earnings of a working adult who, for the corresponding year, is aged 25 to 34, has only a bachelor’s degree, and is not enrolled in any institution of higher education, as determined under subparagraph

1 (C) and in accordance with subparagraph  
2 (D); or

3 “(ii) in the case of a graduate or pro-  
4 fessional program that requires 3 or more  
5 academic years (on a full-time basis) for  
6 completion, for which the median earnings  
7 of the programmatic cohort of students  
8 who received funds under this title for en-  
9 rollment in such program, who entered into  
10 such program during the academic year  
11 that is 10 years before the year of the de-  
12 termination, who are no longer enrolled in  
13 any institution of higher education, and  
14 are working, are, for not less than 2 of the  
15 3 years immediately preceding the date of  
16 the determination, less than the median  
17 earnings of a working adult who, for the  
18 corresponding year, is aged 25 to 34, has  
19 only a bachelor’s degree, and is not en-  
20 rolled in any institution of higher edu-  
21 cation, as determined under subparagraph  
22 (C) and in accordance with subparagraph  
23 (D).

24 “(C) CALCULATION OF MEDIAN EARN-  
25 INGS.—For purposes of applying subparagraph

1 (B) to an educational program at an institu-  
2 tion, the median earnings of a working adult  
3 who is aged 25 to 34, has only a bachelor's de-  
4 gree, and is not enrolled in any institution of  
5 higher education shall be based on data from  
6 the Bureau of the Census—

7 “(i) for the lowest median earnings  
8 of—

9 “(I) a working adult in the State  
10 in which the institution is located;

11 “(II) a working adult in the same  
12 field of study (based on 2-digit CIP  
13 code) in the State in which the insti-  
14 tution is located; and

15 “(III) a working adult in the  
16 same field of study (based on 2-digit  
17 CIP code) in the entire United States;  
18 or

19 “(ii) if fewer than 50 percent of the  
20 students enrolled in the institution reside  
21 in the State where the institution is lo-  
22 cated, for the lower median earnings of—

23 “(I) a working adult in the entire  
24 United States; or

1 “(II) a working adult in the same  
2 field of study (based on 2-digit CIP  
3 code) in the entire United States.

4 “(D) SMALL COHORTS.—For any year for  
5 which the programmatic cohort for an institu-  
6 tion is fewer than 30 individuals, the Secretary  
7 shall—

8 “(i) first, aggregate additional years  
9 of programmatic data in order to achieve a  
10 cohort of at least 30 individuals; and

11 “(ii) second, aggregate additional co-  
12 hort years of programmatic data for de-  
13 grees or certificates of equivalent length in  
14 order to achieve a cohort of at least 30 in-  
15 dividuals.

16 “(E) APPEALS PROCESS.—An educational  
17 program shall not lose eligibility under this  
18 paragraph unless the institution has had the  
19 opportunity to appeal the programmatic median  
20 earnings of students working and not enrolled  
21 determination under subparagraph (B), through  
22 a process established by the Secretary. During  
23 such appeal, the Secretary may permit the edu-  
24 cational program to continue to participate in  
25 the program under this part.



1 “(3) NOTICE TO STUDENTS.—

2 “(A) IN GENERAL.—If an educational pro-  
3 gram of an institution of higher education sub-  
4 ject to this subsection does not meet the cohort  
5 median earning requirements, as described in  
6 paragraph (1)(B) or (2)(B) (as applicable), for  
7 one year during the applicable covered period  
8 but has not yet failed to meet such require-  
9 ments for 2 years during such covered period,  
10 the institution shall promptly inform each stu-  
11 dent enrolled in the educational program of the  
12 eligible program’s low cohort median earnings  
13 and that the educational program is at risk of  
14 losing its eligibility for funds under this part.

15 “(B) COVERED PERIOD.—In this para-  
16 graph, the term ‘covered period’ means the pe-  
17 riod of the 3 years immediately preceding the  
18 date of a determination made under paragraph  
19 (1) or paragraph (2), as the case may be.

20 “(4) REGAINING PROGRAMMATIC ELIGI-  
21 BILITY.—The Secretary shall establish a process by  
22 which an institution of higher education that has an  
23 educational program that has lost eligibility under  
24 this subsection may, after a period of not less than  
25 2 years of such program’s ineligibility, apply to re-

1 gain such eligibility, subject to the requirements es-  
2 tablished by the Secretary that further the purpose  
3 of this subsection.”.

## 4 **Subtitle F—Regulatory Relief**

### 5 **SEC. 85001. REPEAL OF RULE RELATING TO BORROWER DE-** 6 **FENSE TO REPAYMENT.**

7 (a) TERMINATION.—Beginning on the date of enact-  
8 ment of this section, the provisions of subpart D of part  
9 685 of title 34, Code of Federal Regulations (relating to  
10 borrower defense to repayment), as added or amended by  
11 the final regulations published by the Department of Edu-  
12 cation on November 1, 2022, and titled “Institutional Eli-  
13 gibility Under the Higher Education Act of 1965, as  
14 Amended; Student Assistance General Provisions; Federal  
15 Perkins Loan Program; Federal Family Education Loan  
16 Program; and William D. Ford Federal Direct Loan Pro-  
17 gram” (87 Fed. Reg. 65904) shall be null and void.

18 (b) EFFECT OF REPEALS.—Any regulations relating  
19 to borrower defense to repayment that took effect on July  
20 1, 2020, are restored and revived as such regulations were  
21 in effect on such date.

### 22 **SEC. 85002. REPEAL OF RULE RELATING TO CLOSED** 23 **SCHOOL DISCHARGES.**

24 (a) TERMINATION.—Beginning on the date of enact-  
25 ment of this section, the provisions of sections 674.33(g),

1 682.402(d), and 685.214 of title 34, Code of Federal Reg-  
2 ulations (relating to closed school discharges), as added  
3 or amended by the final regulations published by the De-  
4 partment of Education on November 1, 2022, and titled  
5 “Institutional Eligibility Under the Higher Education Act  
6 of 1965, as Amended; Student Assistance General Provi-  
7 sions; Federal Perkins Loan Program; Federal Family  
8 Education Loan Program; and William D. Ford Federal  
9 Direct Loan Program” (87 Fed. Reg. 65904), shall be null  
10 and void.

11 (b) EFFECT.—Beginning on the date of enactment  
12 of this section, the portions of the Code of Federal Regula-  
13 tions described in subsection (a) and amended by the final  
14 regulations described in subsection (a) shall be in effect  
15 as if the amendments made by such final regulations had  
16 not been made.

17 **Subtitle G—Limitation on**  
18 **Authority**

19 **SEC. 86001. LIMITATION ON AUTHORITY OF SECRETARY TO**  
20 **PROPOSE OR ISSUE REGULATIONS AND EX-**  
21 **ECUTIVE ACTIONS.**

22 Part G of title IV of the Higher Education Act of  
23 1965 ( 20 U.S.C. 1088 et seq.) is amended by inserting  
24 after section 492 the following:

1 **“SEC. 492A. LIMITATION ON AUTHORITY OF THE SEC-**  
2 **RETARY TO PROPOSE OR ISSUE REGULA-**  
3 **TIONS AND EXECUTIVE ACTIONS.**

4 “(a) DRAFT REGULATIONS.—Beginning on the date  
5 of enactment of this section, a draft regulation imple-  
6 menting this title (as described in section 492(b)(1)) that  
7 is determined by the Secretary to be economically signifi-  
8 cant shall be subject to the following requirements (re-  
9 gardless of whether negotiated rulemaking occurs):

10 “(1) The Secretary shall determine whether the  
11 draft regulation, if implemented, would result in an  
12 increase in a subsidy cost.

13 “(2) If the Secretary determines under para-  
14 graph (1) that the draft regulation would result in  
15 an increase in a subsidy cost, then the Secretary  
16 may take no further action with respect to such reg-  
17 ulation.

18 “(b) PROPOSED OR FINAL REGULATIONS AND EXEC-  
19 UTIVE ACTIONS.—Beginning on the date of enactment of  
20 this section, the Secretary may not issue a proposed regu-  
21 lation, final regulation, or executive action implementing  
22 this title if the Secretary determines that the regulation  
23 or executive action—

24 “(1) is economically significant; and

25 “(2) would result in an increase in a subsidy  
26 cost.

1 “(c) RELATIONSHIP TO OTHER REQUIREMENTS.—

2 The analyses required under subsections (a) and (b) shall  
3 be in addition to any other cost analysis required under  
4 law for a regulation implementing this title, or any other  
5 cost analysis requirement for a regulation implementing  
6 this title.

7 “(d) DEFINITION.—In this section, the term ‘eco-  
8 nomically significant’, when used with respect to a draft,  
9 proposed, or final regulation or executive action, means  
10 that the regulation or executive action is likely, as deter-  
11 mined by the Secretary—

12 “(1) to have an annual effect on the economy  
13 of \$100,000,000 or more; or

14 “(2) to adversely affect in a material way the  
15 economy, a sector of the economy, productivity, com-  
16 petition, jobs, the environment, public health or safe-  
17 ty, or State, local, or Tribal governments or commu-  
18 nities.”.

19 **Subtitle H—Funding Cost Sharing**  
20 **Reduction Payments**

21 **SEC. 87001. FUNDING COST SHARING REDUCTION PAY-**  
22 **MENTS.**

23 Section 1402 of the Patient Protection and Afford-  
24 able Care Act (42 U.S.C. 18071) is amended by adding  
25 at the end the following new subsection:

1 “(h) FUNDING.—

2 “(1) IN GENERAL.—There are appropriated out  
3 of any monies in the Treasury not otherwise appro-  
4 priated such sums as may be necessary for purposes  
5 of making payments under this section for plan  
6 years beginning on or after January 1, 2026.

7 “(2) USE OF FUNDS.—

8 “(A) IN GENERAL.—The amounts appro-  
9 priated under paragraph (1) may not be used  
10 for purposes of making payments under this  
11 section for a qualified health plan that provides  
12 health benefit coverage that includes coverage  
13 of abortion.

14 “(B) EXCEPTION.—Subparagraph (A)  
15 shall not apply to payments for a qualified  
16 health plan that provides coverage of abortion  
17 only if necessary to save the life of the mother  
18 or if the pregnancy is a result of an act of rape  
19 or incest.”.

## 20 **Subtitle I—Garden of Heroes**

### 21 **SEC. 88001. GARDEN OF HEROES.**

22 In addition to amounts otherwise available, there are  
23 appropriated to the National Endowment for the Human-  
24 ities for fiscal year 2025, out of any money in the Treas-  
25 ury not otherwise appropriated, to remain available

1 through fiscal year 2028, \$40,000,000 for the procure-  
2 ment of statues as described in Executive Order 13934  
3 (85 Fed. Reg. 41165; relating to building and rebuilding  
4 monuments to American heroes), Executive Order 13978  
5 (86 Fed. Reg. 6809; relating to building the National Gar-  
6 den of American Heroes), and Executive Order 14189 (90  
7 Fed. Reg. 8849; relating to celebrating America's birth-  
8 day).